

**Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382**

Final

**AIR QUALITY PERMIT
Issued under 401 KAR 52:020**

Permittee Name: Kingsford Manufacturing Company
Mailing Address: P.O. Box 487, Burnside, Kentucky 42519

Source Name: Kingsford Manufacturing Company
Mailing Address: 9500 South Highway 27
Burnside, KY 42519

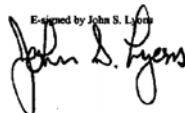
Source Location: 9500 South Highway 27

Permit: V-08-016
Agency Interest: 3816
Activity: APE20080001
Review Type: Title V, Operating/Construction
Source ID: 21-199-00018

Regional Office: London Regional Office
875 S. Main Street
London, KY 40741
(606) 330-2080

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Application
Complete Date: May 25, 2008
Issuance Date: December 5, 2008
Revision Date:
Expiration Date: December 5, 2013

Esigned by John S. Lyons


**John S. Lyons, Director
Division for Air Quality**

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Permit type	Log # Activity#	Date Completed	Date Issued	Summary of permitting Action
F-98-013 PSD Construction/Operating	F419	3/31/98	6/9/98	Construction of Solvent Treated Briquet (STB) production Line PSD of VOCs from Dryers & STB Production Line w/ACC control
V-03-018 Operating, TV/PSD	F937/50732	6/10/97	11/4/03	Title V Operating Permit
V-03-018 R1 Proposed Operating/Construction TV/PSD	56021	12/01/03	4/13/04	Increase Total Capacity, Replacement of Dryer A; Addition of new Cooler A; and Replacement of Rotary Chip/Sawdust Dryer
V-03-018 R2 Final Operating/Construction TV/PSD	56021	5/26/04	6/14/04	Incorporate EPA comments: "...not be used...to establish less stringent BACT limits" language added under compliance demonstration for EU-07 and EU-38
V-03-018 R3, Minor Revision and <i>Off Permit Change</i>	APE20070001	8/3/2007	12/4/2007	Installation of dust collector #2 on charcoal packaging <u>EU-06</u> . And positioning sawdust feeder to furnace <u>Unit-02</u> from top drop to side injection
Permit Renewal	APE20080001	5/25/2008	12/XX/08	Permit renewal/minor mod. and updating emissions factors based on November 2007 stack test.

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first having submitted a complete application and received a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:020, Title V Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

Emissions Unit 01 (01) Wood receipt and storage

Description:

Operating rate: 337,260 tons of dry wood/year

Construction commenced: 1960

APPLICABLE REGULATIONS:

401 KAR 51:017, Prevention of significant deterioration of air quality (BACT for PM and PM₁₀)
401 KAR 63:010, Fugitive emissions is applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division for Air Quality

1. Operating Limitations:

- a) Pursuant to 401 KAR 63:010, Section 3, reasonable precautions shall be taken to prevent particulate matter from becoming airborne. Such reasonable precautions shall include, when applicable, but not be limited to the use of water sprays or other measures to suppress the dust emissions during handling.
- b) Pursuant to 401 KAR 51:017, best available control technology (BACT) for particulate matter (PM) and for particulate matter less than 10 microns (PM₁₀) shall be applied by the source to minimize fugitive dust emissions.
- c) Pursuant to 401 KAR 51:017, the permittee shall limit the throughput of the amount of dry wood received such that the maximum annual total (12-month rolling average) does not exceed 337,260 tons per year.

Compliance Demonstration Method:

Compliance with operating limitations to suppress and minimize fugitive dust emissions will be demonstrated by dust suppression during wood truck unloading, and good operating practices during material handling.

For compliance with the throughput of dry wood received limit, see Subsection 4, Specific Monitoring Requirements, and Subsection 5, Specific Recordkeeping Requirements.

2. Emission Limitations:

Pursuant to 401 KAR 63:010, Section 3, discharge of visible fugitive dust emissions beyond the property line is prohibited.

Compliance Demonstration Method:

For compliance with the emission limitation, see Subsection 1, Operating Limitations.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

3. **Testing Requirements:** None

4. **Specific Monitoring Requirements:**

Pursuant to 401 KAR 52:020, Section 26, the permittee shall monitor the amount of wood received and processed on a monthly basis.

5. **Specific Recordkeeping Requirements:**

Pursuant to 401 KAR 52:020, Section 26, records of wet wood received and dry wood processed shall be maintained on a monthly basis.

6. **Specific Reporting Requirements:**

See Section F, Conditions 5, 6, 7, and 8.

7. **Specific Control Equipment Operating Conditions:** None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 02 (02, pt 8) Wet Wood (Chips/Sawdust) Dryer and Retort Furnace with After Combustion Chamber (ACC)****Description:**

Operating rate: 77 tons/hr wet wood to Rotary dryer (P₁), 38.5 tons/hr of dry wood to Retort furnace (P₂);

Construction began: Retort furnace installed 1969, proposed modification (increased capacity) and new rotary wet wood dryer in 2003;

Control Equipment: 2 cyclones for wood dryer, 4 cyclones for furnace, gas streams from the cyclones are combined into the ACC;

Auxiliary Burners: Two units 40 MMBtu/hr fuel oil burners for ACC, and Six units 1.5 MMBtu/hr propane heat starters for furnace.

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to emission units commenced on or after July 2, 1975.

401KAR 61:015, Existing heat exchangers commenced before April 9, 1972.

401 KAR 51:017, Prevention of significant deterioration of air quality - BACT for nitrogen oxides (NO_x), sulfur dioxide (SO₂), PM, PM₁₀ and volatile organic compounds (VOC)

40 CFR 64, Compliance Assurance Monitoring (for PM₁₀)

1. Operating Limitations:

- a) Pursuant to 401 KAR 51:017, under normal operating conditions, the following operating conditions shall apply:
 - 1) The wet wood dryer and retort furnace shall be operated with a maximum of 80% of emissions going out the ACC stack and a minimum of 20% of emissions cycling to the briquets dryers and waste heat boiler (EU-07, EU-08, EU-09, and EU-10);
 - 2) The two cyclones for the wood dryer, the four cyclones for the retort furnace, and the ACC for the combined gas stream shall be operating, and the ACC combustion chamber operating temperature shall remain above 1400°F on a 3-hour rolling average;
 - 3) Immediate corrective actions shall be taken whenever the 3-hour average operating temperature of the ACC combustion chamber falls below 1400°F, or the temperature of the two thermocouple readings in the ACC combustion chamber are not within plus/minus 100°F of each other
 - 4) The permittee shall limit the throughput of wet wood to the dryer, such that the maximum rate does not exceed 77 tons/hr (total wet wood plus 10% uncombined moisture 62.6 tons/hr).

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- 5) The permittee shall limit the throughput of dry wood to the retort furnace, such that the maximum rate does not exceed 38.5 tons/hr.
 - 6) The ACC briquets heat supply damper shall be open;
 - 7) The briquets heat supply fan shall be operating;
 - 8) The auxiliary briquets heat burner shall not be operating; and
 - 9) Dryers A, B, and C shall be operating.
- b) Pursuant to 401 KAR 51:017, under circumstances when 20% of the total exhaust flow cannot be diverted from ACC to the briquets dryers (greater than 80% of the total flow exhaust out the ACC stack), the following operating conditions shall apply:
- 1) The permittee shall limit the throughput of wet wood (chips/sawdust) to the dryer, such that the maximum rate does not exceed 62.6 tons/hr (total wet wood plus 10% uncombined moisture 62.6 tons/hr)
 - 2) The permittee shall limit the throughput of dry wood to the retort furnace, such that the maximum rate does not exceed 31.3 tons/hr.
- c) Pursuant to 401 KAR 51:017, under circumstances when fuel oil is burned as the auxiliary fuel in the 55 MMBtu burner, fuel oil shall contain less than 0.1% weight sulfur, as certified by the vendor.

Compliance Demonstration Method:

For compliance with the maximum percentage of flowrate out the ACC stack for operating limit at normal conditions, temperature operating conditions, and all wood throughput limits, see Subsection 3, Testing Requirements; Subsection 4, Specific Monitoring Requirements; and Subsection 5, Specific Recordkeeping Requirements.

Hourly production throughput = [Total daily tonnage processed] / [number of hours of operation that day]

For compliance with the sulfur limit in the fuel oil, see Subsection 4, Specific Monitoring Requirements, and Subsection 5, Specific Recordkeeping Requirements.

2. Emission Limitations:

- a) Pursuant to 401 KAR 59:010, Section 3(1)(a), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average.
- b) Pursuant to 401 KAR 51:017, under normal operating conditions with no more than 80% of the emissions into the open air from the ACC stack shall not exceed the following limits:

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- 1) 60.60 lbs/hr of PM
 - 2) 48 lbs/hr of PM₁₀.
 - 3) 92.71 lbs/hr of NO_x
 - 4) 24.24 lbs/hr of SO₂
 - 5) 7.13 lbs/hr of VOC
- c) Pursuant to 401 KAR 59:010, under operating conditions with greater than 80% of the emissions going out the ACC stack, the process rate shall be limited so that based on a three hour average the particulate matter emissions shall not exceed:

$$\text{Combined Allowable PM Emission} = 17.31(P_1)^{0.16} + 17.31(P_2)^{0.16} = 63.02 \text{ lb/hr}$$

Where the max $P_1 = 62.6 - (0.1)(62.6) = 56.34$ tons/hr, assuming 10% uncombined moisture in wet wood and the max $P_2 = 31.3$ tons/hr, from the combined emissions in the ACC unit.

Compliance Demonstration Method:

- a) For compliance with the visible emissions limit, see subsection 4, Specific Monitoring Requirements.
- b) For compliance with the emission limits under normal operating conditions, see subsection 3, Testing Requirements.
- c) For compliance with the PM emission limitation under operating conditions with greater than 80% of the emissions going out the ACC stack, compliance will be assumed from the operating conditions under Subsection 1.b), Operating Conditions, until new information is gathered from the ACC stack test (see subsection 3, Testing Requirements). Emission factors derived from stack testing shall be used to update emissions calculation.

3. Testing Requirements:

- a) For opacity of emissions from ACC unit, see section 4a below.
- b) Pursuant to 401 KAR 50:045, Performance Tests, the permittee shall conduct a stack test for PM, PM₁₀, NO_x, SO₂, and VOC emissions by the start of the fourth year of this permit (or the fourth year from the last stack test) to demonstrate compliance with the applicable standard.
 - 1) EPA Reference Method 2A or equivalent shall be performed concurrently with emission units 02, 07, 08, 09 and 37 to determine the flowrate of ACC gases. One test shall be performed under conditions with 100% of emissions going out the ACC stack. One test shall be performed under normal operating conditions as described in Subsection 1.a), Operating Limitations for normal operations. The percent of ACC gases that are ducted to the dryers under normal operations shall be calculated and reported with the test results.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission units 03, 04 and 38 shall be tested under ambient air conditions a day after performance test for the ACC with the concurrent units. This performance test shall be based on identical processing or production rate of briquettes running through the dryer.

- 2) EPA Reference Method 5 or equivalent shall be performed to determine the combined amount of PM emissions per ton of dry wood processed through the wet wood dryer and the retort furnace. The test shall be performed during normal operations as described in Subsection 1.a), Operating Limitations for normal operations.
- 3) EPA Reference Method 7 or equivalent shall be performed to determine the amount of NO_x emissions per ton of dry wood processed through the wet wood dryer and the retort furnace. The test shall be performed during normal operations as described in Subsection 1.a), Operating Limitations for normal operations.
- 4) EPA Reference Method 18, Method 25A, or equivalent shall be performed to determine the amount of VOC emissions per ton of dry wood processed through the wet wood dryer and the retort furnace. The test shall be performed during normal operations as described in Subsection 1.a), Operating Limitations for normal operations.
- 5) EPA Reference Method 201 and 202 or equivalent shall be performed to determine the amount of PM₁₀ emissions per ton of dry wood processed through the wet wood dryer and the retort furnace. The test shall be performed during normal operations as described in Subsection 1.a), Operating Limitations for normal operations.
- 6) EPA Reference Method 6 or equivalent shall be performed to determine the amount of SO₂ emissions per ton of dry wood processed through the wet wood dryer and the retort furnace. The test shall be performed during normal operations as described in Subsection 1.a), Operating Limitations for normal operations.

4. Specific Monitoring Requirements:

Pursuant to 40 CFR 64, the permittee shall assure compliance with emission limitations or conditions for the normal operation including the following:

- a) Perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of control equipment shall be initiated for all necessary repairs;

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b) Monitor the wood processing rate and hours of operation on a daily basis;
- c) Monitor the ACC combustion temperature from a thermocouple located in a representative location in the ACC combustion chamber every second. The temperature and a 15-minute average temperature shall be displayed on a screen in the control room. A 3-hour rolling average temperature shall be calculated;
- d) Monitor the ACC combustion temperature from a second thermocouple located in a representative location in the ACC combustion chamber weekly; and
- e) Monitor the weight percent of sulfur in each shipment of fuel oil combusted.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26, the permittee shall maintain records of the following:

- a) Weekly logs of qualitative visual observation of the opacity of emissions from the ACC stack, any Method 9 testing results, and any repairs that were made due to any opacity reading which exceeded the standard;
- b) The wood material processed and hours of operation on a daily basis;
- c) Average ACC combustion temperatures will be recorded every 15 minutes. The calculated 3-hour rolling average temperature shall be recorded. The data will be retained for a minimum of 5 years; and
- d) The weight percent of sulfur in each shipment of fuel oil combusted.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions:

Pursuant to 401 KAR 50:055, General Compliance Requirements, the control equipment shall be operated and maintained in accordance with the manufacturer's specifications and/or standard operating procedures. Periodic maintenance of the control equipment, including associated ductwork, shall be performed as needed in order to insure proper operation of the equipment. A planned shutdown of the retort and char production process shall be scheduled as necessary for this maintenance activity. Good air pollution control practice for minimizing emissions associated with these planned maintenance activities shall be followed pursuant to 401 KAR 50:055, Section 2, pending resumption of the retort and char production process following return of the control equipment to operation.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 03 (04, pts 23, 24) Briquets Cooler B****Description:**

Operating rate: 7 tons of dry briquets/hour

Construction commenced: June 1973

Two exhaust stacks for the unit

APPLICABLE REGULATIONS:

401 KAR 61:020, Existing process operations applicable to emission units commenced before July 2, 1975.

1. Operating Limitations: None**2. Emission Limitations:**

- a) Pursuant to 401 KAR 61:020, particulate matter emissions into the open air shall not exceed $[4.10(P)^{0.67}] = 15.10$ lbs/hour based on a three-hour average where P is the processing rate in tons per hour.
- b) Pursuant to 401 KAR 61:020, Section 3(1)(a), visible emissions from any stack shall not equal or exceed forty (40) percent opacity based on a six-minute average.

Compliance Demonstration Method:

- a) The permittee shall use the emission factor of 0.06 lb/ton (0.27 lb/hr) derived from the last stack test performed in November 2007 for demonstration of compliance with the particulate matter emission limitation.
- b) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.

3. Testing Requirements:

Pursuant to 401 KAR 50:045, Performance Tests, EPA Reference Method 5 or equivalent shall be performed concurrently with emission units 03, 04 and 38 to determine the amount of PM emissions per ton of dry briquets processed through the unit for each stack. The stack test shall be performed by the start of the fourth year of this permit (or the fourth year from the last stack test) to demonstrate compliance with the applicable standard.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of equipment shall be initiated for any necessary repairs.
- b) The permittee shall monitor the dry packaged briquets processing rate and hours of operation on a daily basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26, records of dry briquets processed and hours of operation on a daily basis shall be maintained.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 04 (04, pts 25, 26, 27) Briquets Cooler C****Description:**

Operating rate: 8 tons of dry briquets/hour

Construction commenced: June 1989

Three exhaust stacks for the unit

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to emission units commenced on or after July 2, 1975.

1. Operating Limitations: None**2. Emission Limitations:**

- a) Pursuant to 401 KAR 59:010, Section 3(2), particulate matter emissions into the open air shall not exceed $[3.59(P)^{0.62}]$ lbs/hour based on a three-hour average where P is the processing rate in tons per hour.
- b) Pursuant to 401 KAR 59:010, Section 3(1)(a), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average.

Compliance Demonstration Method:

- a) The permittee shall use the emission factor of 0.03 lb/ton (0.18 lb/hr) derived from the last stack test performed in November 2007 to for demonstration of compliance with the particulate matter emission limitation.
- b) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.

3. Testing Requirements:

See Subsection 4a.

4. Specific Monitoring Requirements:

- a) The permittee shall perform, concurrently with emission units 02, 03, 04, 07, 08, 09, 37, and 38, a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of control equipment shall be initiated for any necessary repairs.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b) Pursuant to 401 KAR 52:020, Section 26, the permittee shall monitor the dry briquets processing rate and hours of operation on a daily basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of dry packaged briquets processed and hours of operation on a daily basis shall be maintained.
- b) Records of any repairs that were made due to any opacity reading which exceeded the standard.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 05 (05) Briquets Manufacturing Dust Collector****Description:**

Equipment includes: transfer and vibrating conveyors, briquet silos and bypass chutes

Operating rate: 27 tons of dry briquets/hour (proposed increased capacity)

Construction commenced: November 1979, modification proposed

Control Equipment: Filter

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to emission units commenced on or after July 2, 1975.

1. Operating Limitations: None**2. Emission Limitations:**

- a) Pursuant to 401 KAR 59:010, Section 3(2), particulate matter emissions into the open air shall not exceed $[3.59(P)^{0.62}]$ lbs/hour based on a three-hour average where P is the processing rate in tons per hour.
- b) Pursuant to 401 KAR 59:010, Section 3(1)(a), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average.

Compliance Demonstration Method:

- a) For compliance with the PM emission limit, see Subsection 7, Specific Control Equipment Operating Conditions.
- b) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.

3. Testing Requirements:

See Subsection 4a.

4. Specific Monitoring Requirements:

- a) Pursuant to 401 KAR 52:020, Section 26:
The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of control equipment shall be initiated for any necessary repairs.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b) The permittee shall monitor the dry briquets processing rate and hours of operation on a daily basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of dry packaged briquets processed and hours of operation on a daily basis shall be maintained.
- b) Records of any repairs that were made due to any opacity reading that exceeded the standard.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055, the filter shall be installed and maintained in accordance with manufacturer's specifications and/or standard operating procedures at all times equipment is operating.
- b) Pursuant to 401 KAR 59:005, records regarding the maintenance of the filter shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 06 (06) Briquets Packaging and Bagging Dust Collector****Description:**

Operating rate: 30 tons of dry briquets/hour

Construction commenced: May 1985

Control Equipment: 22,100 cfm Dust Collector #1 Filter, and 30,000 cfm Dust Collector #2 with fabric filter, installed 2007

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to emission units commenced on or after July 2, 1975

1. Operating Limitations: None**2. Emission Limitations:**

- a) Pursuant to 401 KAR 59:010, Section 3(2), particulate matter emissions into the open air shall not exceed $[3.59(P)^{0.62}]$ lbs/hour from each dust collectors based on a three-hour average where P is the processing rate in tons per hour.
- b) Pursuant to 401 KAR 59:010, Section 3(1)(a), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average.

Compliance Demonstration Method:

- a) For compliance with the PM emission limit, see Subsection 7, Specific Control Equipment Operating Conditions.
- b) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.

3. Testing Requirements:

See Subsection 4a.

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from each stack on a weekly basis and maintain a log of the observations. If visible emissions from the stacks are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of control equipment shall be initiated for any necessary repairs.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b) The permittee shall monitor the dry briquets processing rate and hours of operation on a daily basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of dry packaged briquets processed and hours of operation on a daily basis shall be maintained.
- b) Records of any repairs that were made due to any opacity reading that exceeded the standard.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055, the dust collectors filters shall be installed and maintained in accordance with manufacturer's specifications/standard operating procedures at all times equipment are operating.
- b) Pursuant to 401 KAR 59:005, records regarding the maintenance of the dust collectors filters shall be maintained.
- c) See Section E.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 07 Briquets Dryer A****Description:**

Operating rate: 12 packaged tons of dry briquets/hr

Construction commenced: New briquets dryer (replacement of existing unit) in 2003

One exhaust stack for the proposed dryer

Auxiliary Burner: One unit 55 MMBtu/hr fuel oil burner for dryers A, B, C (EU07, EU08, EU09) when ACC is not operational, which at normal operation dryers receive 20% stream heat flow from ACC.

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to emission units commenced on or after July 2, 1975.

401 KAR 51:017, Prevention of significant deterioration of air quality for PM, PM₁₀, and VOC.

1. Operating Limitations:

Pursuant to 401 KAR 51:017, the permittee shall limit the throughput of dry briquets to the briquets dryer, such that the maximum rate does not exceed 12 packaged tons/hr.

Compliance Demonstration Method:

For compliance with the throughput of dry briquets operating limit, see Subsection 4, Specific Monitoring Requirements, and Subsection 5, Specific Recordkeeping Requirements.

Hourly production throughput = [Total daily amount processed] / [number of operating hours that day]

2. Emission Limitations:

- a) Pursuant to 401 KAR 59:010, Section 3(1)(a), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average.
- b) Pursuant to 401 KAR 51:017, for VOC emission limit, see Section D, Condition 3.
- c) Pursuant to 401 KAR 51:017, PM emission shall not exceed 6.00 lbs/hr.
- d) Pursuant to 401 KAR 51:017, PM₁₀ emission shall not exceed 3.60 lbs/hr.

Compliance Demonstration Method:

- a) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.
- b) For compliance with the VOC emission limit, see Section D, Condition 3.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- c) For compliance with the PM emission limit, an emission factor of 0.10 lb/ton (0.83 lb/hr) for dry briquets shall be used, based on November 2007 stack test shall be used. Stack testing will not be used to establish less stringent BACT limits.
- d) For compliance with the PM₁₀ emission limit the permittee shall use the emission factor of 0.03 lb/ton (0.18 lb/hr) generated from the last stack test performed in November 2007 to for demonstration of compliance. Stack testing will not be used to establish less stringent BACT limits.

3. Testing Requirements:

- a) Pursuant to 401 KAR 59:010, to determine the opacity see Subsection 4a.
- b) Pursuant to 401 KAR 50:045, Performance Tests, EPA Reference Method 5 or equivalent shall be performed concurrently with emission units 02, 07, 08, and 09 to determine the amount of PM emissions per ton of dry briquets processed through the unit for each stack. The stack test shall be performed by the start of the fourth year of this permit (or the fourth year from the last stack test) to demonstrate compliance with the applicable standard.
- c) Pursuant to 401 KAR 50:045, Performance Tests, EPA Reference Method 201 and 202 or equivalent shall be performed to determine the amount of PM₁₀ emissions per ton of dry briquets processed through the unit. The stack test shall be performed concurrent with PM emission test.

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of control equipment shall be initiated for any necessary repairs.
- b) The permittee shall monitor the hours of operation for emission unit EU-07 on a daily basis and monitor the total packaged tons of dry briquets process on a daily basis (sum of emission units EU-07, EU-08, and EU-09).

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of dry packaged briquets processed and hours of operation on a daily basis shall be maintained.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b) Records of any repairs that were made due to any opacity reading, which exceeded the standard.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 08 (02, pts 3, 4) Briquets Dryer B****Description:**

Operating rate: 7 packaged tons of dry briquets/hour

Construction commenced: June 1973

Two exhaust stacks for the unit

APPLICABLE REGULATIONS:

401 KAR 61:020, Existing process operations applicable to emission units commenced before July 2, 1975.

401 KAR 51:017, Prevention of significant deterioration of air quality (BACT for VOC).

1. Operating Limitations:

Pursuant to 401 KAR 51:017, the permittee shall limit the throughput of dry briquets to the briquets dryer, such that the maximum rate does not exceed 7 packaged tons/hr.

Compliance Demonstration Method:

For compliance with the throughput of dry briquets operating limit, see Subsection 4, Specific Monitoring Requirements, and Subsection 5, Specific Recordkeeping Requirements.

Hourly production throughput = [Total daily tonnage processed] / [number of operating hours that day]

2. Emission Limitations:

a) Pursuant to 401 KAR 61:020, Section 3(2), particulate matter emissions into the open air shall not exceed $[4.10(P)^{0.67}] = 15.10$ lbs/hour based on a three-hour average where P is the processing rate in packaged tons per hour.

b) Pursuant to 401 KAR 61:020, Section 3(1)(a), visible emissions from any stack shall not equal or exceed forty (40) percent opacity based on a six-minute average.

c) Pursuant to 401 KAR 51:017, emission limit for VOC, see Section D, Condition 3.

Compliance Demonstration Method:

a) For compliance with the PM emission limit, an emission factor of 0.11 lb/ton (0.54 lb/hr) for dry briquets shall be used, based on the November 2007 last stack test shall be used.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.
- c) For compliance with the VOC emission limit, see Section D, Condition 3.

3. Testing Requirements:

- a) See section 4a below to determine the opacity.
- b) Pursuant to 401 KAR 50:045, Performance Tests, EPA Reference Method 5 or equivalent shall be performed concurrently with emission units 02, 07, 08, and 09 to determine the amount of PM emissions per ton of dry briquets processed through the unit for each stack. The stack test shall be performed by the start of the fourth year of this permit (or the fourth year from the last stack test) to demonstrate compliance with the applicable standard.

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of equipment shall be initiated for any necessary repairs.
- b) The permittee shall monitor the hours of operation for emission unit EU-08 on a daily basis and monitor the total packaged tons of dry briquets processed on a daily basis (sum of emission units EU-07, EU-08, and EU-09).

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of dry packaged briquets processed and hours of operation on a daily basis shall be maintained.
- b) Records of any repairs that were made due to any opacity reading, which exceeded the standard.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 09 (02, pts 5, 6) Briquets Dryer C****Description:**

Operating rate: 8 packaged tons of dry briquets/hour

Construction commenced: June 1989

Two exhaust stacks for the unit

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to emission units commenced on or after July 2, 1975.

401 KAR 51:017, Prevention of significant deterioration of air quality (BACT for VOC).

1. Operating Limitations:

Pursuant to 401 KAR 51:017, the permittee shall limit the throughput of dry briquets to the briquets dryer, such that the maximum rate does not exceed 8 packaged tons/hr.

Compliance Demonstration Method:

For compliance demonstration with the throughput of dry briquets operating limit, see Subsection 4, Specific Monitoring Requirements, and Subsection 5, Specific Recordkeeping Requirements.

Hourly production throughput = [Total daily amount processed] / [number of operating hours that day]

2. Emission Limitations:

a) Pursuant to 401 KAR 59:010, Section 3(2), particulate matter emissions into the open air shall not exceed $[3.59(P)^{0.62}]$ lbs/hour based on a three-hour average where P is the processing rate in packaged tons per hour.

b) Pursuant to 401 KAR 59:010, Section 3(1)(a), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average.

c) Pursuant to 401 KAR 51:017, emission limit for VOC, see Section D, Condition 3.

Compliance Demonstration Method:

a) For compliance demonstration with the PM emission limit, an emission factor of 0.15 lb/ton (0.70 lb/hr) for dry briquets shall be used, based on the November 2007 stack test shall be used.

b) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- c) For compliance with the VOC emission limit, see Section D, Condition 3.

3. Testing Requirements:

- a) See section 4a below to determine the opacity.
- b) Pursuant to 401 KAR 50:045, Performance Tests, the permittee shall conduct a stack test for PM emissions concurrently with emission units 02, 07, 08, and 09 by the start of the fourth year from the last stack test to demonstrate compliance with the applicable standard. EPA Reference Method 5 or equivalent shall be performed to determine the amount of PM emissions per ton of dry briquets processed through each stack of the unit.

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of equipment shall be initiated for any necessary repairs.
- b) The permittee shall monitor the hours of operation for emission unit EU-09 on a daily basis and monitor the total packaged tons of dry briquets process on a daily basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of dry packaged briquets processed and hours of operation on a daily basis shall be maintained.
- b) Records of any repairs that were made due to any opacity reading, which exceeded the standard.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 10 (02, pt 7) Waste Heat Boiler****Description:**

Maximum Continuous Rating: 12.6 MMBtu/hr fuel oil burner

Construction commenced: 1991

The waste heat boiler influent is from a percentage of the ACC exhaust gases. The exhaust from the waste heat boiler goes through the waste heat boiler stack and operates in one of two modes:

1. Waste heat from the ACC stack exhaust with no oil firing in the waste heat boiler;
or
2. Waste heat from the ACC stack exhaust with firing of distillate fuel oil in a single 12.6 MMBtu/hr burner in the waste heat boiler.

APPLICABLE REGULATIONS:

401 KAR 59:015, New Indirect heat exchangers, applicable to an emission unit with a capacity of less than 250 MMBtu/hr which commenced on or after April 9, 1972. This regulation only applies when fuel oil is being fired in the waste heat boiler.

401 KAR 60:005, which incorporates by reference the federal regulation 40 CFR 60 Subpart Dc, Standards of performance for small industrial-commercial-institutional steam generating units, applies to each steam generating unit commenced after June 9, 1989 that has a maximum design heat input capacity between 10 MMBtu/hr and 100 MMBtu/hr. This regulation only applies when fuel oil is being fired in the waste heat boiler.

1. Operating Limitations:

Pursuant to 40 CFR 60.42c (d), the percent sulfur in the fuel oil shall not exceed 0.5%.

2. Emission Limitations:

- a) Pursuant to 401 KAR 59:015, Section 4(1)(c), particulate matter emissions shall not exceed 0.53 lb/MMBtu.
- b) Pursuant to 401 KAR 59:015, Section 4(2), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average, except that a maximum of 40% opacity, based on a six-minute average, shall be permissible for not more than 6 consecutive minutes in any consecutive 60 minutes during cleaning the fire-box or blowing soot.
- c) Pursuant to 401 KAR 59:015, Section 5(1)(c)1, sulfur dioxide emissions shall not exceed 2.73 lb/MMBtu.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Compliance Demonstration Method:**

- a) For compliance with the PM emission limit, an emission factor of 0.01 lbs/MMBtu shall be used, based on AP-42 emission factors.
- b) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.
- c) For compliance with the SO₂ emission limit, an emission factor of 0.51 lb/MMBtu shall be used, based on AP-42 emission factors. Fuel certifications of 0.5% sulfur content shall be maintained, see Subsection 5, Specific Recordkeeping Requirements.

3. Testing Requirements:

See Subsection 4a.

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of control equipment shall be initiated for any necessary repairs.
- b) The permittee shall monitor the fuel oil usage rate on a monthly basis, pursuant to 40 CFR 60 Subpart Dc and a variance approved by U.S. EPA, and the Division.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of fuel oil used monthly shall be maintained.
- b) The permittee shall maintain records of the distillate fuel oil supplier certification. Certifications shall contain the name of the oil supplier and a statement from the supplier that the oil complies with the specifications under the definition of distillate oil in 40 CFR 60.41c.
- c) Records of any repairs that were made due to any opacity reading, which exceeded the standard, shall be maintained.

6. Specific Reporting Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall submit semi-annual reports (postmarked the 30th day following the end of the reporting period) that shall include fuel supplier certifications specified

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

by 40 CFR 60.48c(f)(1), and a certified statement signed by the owner/operator that the fuel supplier certifications submitted represent all of the fuel oil combusted during that time.

b) See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 11 (08) Plant Roads – Paved and Unpaved****Description:**

Construction commenced: 1960

APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive emissions is applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division for Air Quality

1. Operating Limitations:

Pursuant to 401 KAR 63:010, Section 3, reasonable precautions shall be taken to prevent particulate matter from becoming airborne. Such reasonable precautions shall include, when applicable, but not be limited to the following:

- a) Application and maintenance of asphalt, oil, water, or suitable chemicals on roads, material stockpiles, and other surfaces which can create airborne dusts;
- b) Covering, at all times when in motion, open bodied trucks transporting materials likely to become airborne;
- c) The maintenance of paved roads in a clean condition; and
- d) The prompt removal of earth or other material from a paved street, which earth or other material has been transported thereto by trucking or earth moving equipment or erosion by water.

Compliance will be demonstrated by the good operating procedures listed above, and the permittee shall post a 10 miles per hour sign for each roadway and enforce the speed limit on facility property.

2. Emission Limitations:

Pursuant to 401 KAR 63:010, Section 3, discharge of visible fugitive dust emissions beyond the property line is prohibited.

Compliance Demonstration Method:

Compliance by good operating procedures, see Subsection 1, Operating Limitations.

3. Testing Requirements: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**4. Specific Monitoring Requirements:**

Pursuant to 401 KAR 52:020, Section 26, the permittee shall monitor the amount of raw materials and final products to estimate vehicle miles traveled for use in the AP-42 emission calculations for paved and unpaved roadways.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26, the permittee shall maintain records of the calculations to determine the fugitive emissions from paved and unpaved roads with all data used in the calculations. Records shall be maintained for the current year and the two previous years. Emission calculations shall be based on the most current AP-42 emission factors for paved and unpaved roadways for that year.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 37 (37-A) Solvent Treated Briquets (STB) Production Line****Description:**

Equipment includes: Conveyor belts, briquets screening, dip tank, and drag chain

Year Constructed: 1998, *modified 2008*

Control equipment: VOC emissions from the STB dipping operation, the STB building, and STB bagging operations are ventilated through a common fume exhaust fan to the ACC unit for burning.

APPLICABLE REGULATIONS:

401 KAR 51:017 (June 9, 1998 STB construction/operation permit), Prevention of significant deterioration of air quality.

1. Operating Limitations:

- a) Pursuant to 401 KAR 51:017, STB production rate shall not exceed 23.3 tons/hour (averaged on a daily basis) and 152,024 tons in any consecutive twelve months period.
- b) Pursuant to 401 KAR 51:017, lighter fluid usage rate shall not exceed 1,014 gallons/hour (averaged on a weekly basis) and 6,630 thousand gallons in any consecutive twelve months period.
- c) The dry briquets shall be screened prior to the application of the solvent to minimize the production of fines saturated with solvent (BACT requirement).
- d) Dry charcoal feeding into the dip tank shall be terminated immediately after discovering an occurrence of an upset of the After Combustion Chamber (ACC) afterburner operation (BACT requirement).
- e) The solvent level in the dip tank shall be maintained at a controlled level during the dipping operation and the dip tank shall be filled to minimize the volatilization of Volatile Organic Compounds (BACT requirement).
- f) Except during the initial introduction of briquets into the dip tank, the temperature of the lighter fluid in the dip tank shall not exceed 50°F to minimize VOC emissions from the dipping operation (BACT requirement).
- g) Exhaust fumes from the STB dipping process, the STB building, and STB bagging process shall be ventilated through a common fume exhaust fan to the ACC afterburner for VOC control (BACT requirement).

The STB production line and dryers A, B, C are subject to 401 KAR 51:017. Emissions from the reprocessing briquets for STB production line (out of STB building) contain particulates and VOCs that are recycled through the briquets dryers. Pursuant to 401 KAR 51:017, VOC emissions from the dryers (EU-07, 08, and 09) shall not exceed 51.9 lbs/hr averaged on a daily basis and 169.3 tons in any consecutive twelve months period. See Section D

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**2. Emission Limitations:**

Pursuant to 401 KAR 51:017, VOC emissions from the ACC afterburner shall not exceed 3.3 lbs/hour and 10.8 tons in any consecutive twelve months period due to the solvent treated briquets line operation.

Compliance Demonstration Method:

The permittee may assure compliance with this emission limitation by assuring compliance with the operating limitations under Subsection 1 and assuring proper operation of the ACC afterburner. The proper operation of the ACC afterburner can be assured by meeting the requirements listed under specific control equipment operating conditions under Subsection 7 of this Section.

3. Testing Requirements:

See EU-02, Subsection 3. Testing For testing purposes the solvent application shall be based on 95 % control efficiency by the ACC, which translates to uncontrolled emission of 2.82 pounds of VOC/ton of STB briquettes.

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 51:017, the permittee shall monitor the following things:

- a) The amount of STB production on a daily basis;
- b) The amount of lighter fluid usage in the STB production line on a weekly basis;
- c) The hours of operation of the STB production line on a daily basis; and
- d) The temperature of the lighter fluid in the dip tank on an hourly basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 51:017, the permittee shall maintain records of the following information:

- a) The amount of STB production on a daily basis;
- b) The amount of lighter fluid usage in the STB production line on a weekly basis;
- c) The hours of operation of the STB production line on a daily basis; and
- d) The temperature of the lighter fluid in the dip tank on an hourly basis.

6. Specific Reporting Requirements:

See Section F.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

7. Specific Control Equipment Operating Conditions:

- a) Pursuant to 401 KAR 50:055, the ACC shall be operated and maintained in accordance with manufacturer's specifications/standard operating procedures at all times to demonstrate compliance with the VOC limits in subsection 2
- b) Pursuant to 401 KAR 50:055, records regarding the upset condition (date and time of occurrence, duration etc.) and maintenance of the ACC afterburner shall be maintained and made available upon request for inspection by any duly authorized representative of the Division for Air Quality.
- c) See Section E for further requirements.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emissions Unit 38 Briquets Cooler A****Description:**

Operating rate: 12 tons of dry briquets/hour

Construction commenced: 2003

One exhaust stack for the unit

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to emission units commenced on or after July 2, 1975.

401 KAR 51:017, Prevention of significant deterioration of air quality (BACT for PM & PM₁₀).

1. Operating Limitations:

Pursuant to 401 KAR 51:017, the permittee shall limit the throughput of dry briquets to the briquets cooler, such that the maximum rate does not exceed 12 tons/hr.

Compliance Demonstration Method:

For compliance demonstration with the throughput of dry briquets operating limit, see Subsection 4, Specific Monitoring Requirements, and Subsection 5, Specific Recordkeeping Requirements.

Hourly production throughput = [Total daily amount processed] / [number of operating hours that day]

2. Emission Limitations:

a) Pursuant to 401 KAR 59:010, Section 3(1)(a), visible emissions from any stack shall not equal or exceed twenty (20) percent opacity based on a six-minute average.

b) Pursuant to 401 KAR 51:017, PM emission shall not exceed 6.00 lbs/hr.

c) Pursuant to 401 KAR 51:017, PM₁₀ emission shall not exceed 3.60 lbs/hr.

Compliance Demonstration Method:

a) For compliance with visible emissions limit, see Subsection 4, Specific Monitoring Requirements.

b) For compliance with the PM emission limit, an emission factor of 0.10 lb/ton (0.81 lb/hr) for dry briquets shall be used, based on the November 2007 last stack test shall be used.

c) For compliance with the PM₁₀ emission limit, an emission factor of 0.07 lb/ton (0.57 lb/hr) for dry briquets shall be used; base on November 2007 stack test shall be used.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission factors derived from stack testing are to replace the emission factor currently listed in the permit, and shall be used to calculate future emissions. Stack testing will not be used, under any circumstances, to establish less stringent BACT limits.

Actual emission rate = [prorated daily dry briquets production through unit (tons/day)] x [emission factor (lb/ton of dry briquets) / [hours of operation that day (hrs/day)]]

Prorated daily dry briquets production through emission unit EU-38 (tons/day) = Prorated daily dry briquets production through emission unit EU-07 (tons/day)

3. Testing Requirements:

- a) See Section 4a.
- b) Pursuant to 401 KAR 50:045, Performance Tests, the permittee shall conduct a stack test for PM emissions by the start of the fourth year from the last stack test to demonstrate compliance with the applicable standard. EPA Reference Method 5 or equivalent shall be performed concurrently with emission units 03, 04, and 38 to determine the amount of PM emissions per ton of dry briquets processed through each stack of the unit.
- c) Pursuant to 401 KAR 50:045, Performance Tests, the permittee shall conduct a stack test for PM₁₀ emissions by the start of the fourth year from the last stack test to demonstrate compliance with the applicable standard. EPA Reference Method 201 and 202 or equivalent shall be performed concurrently with emission units 03, 04, and 38 to determine the amount of PM₁₀ emissions per ton of dry briquets processed through the unit.

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection of control equipment shall be initiated for any necessary repairs.
- b) The permittee shall monitor the dry briquets processing rate and hours of operation on a daily basis.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26:

- a) Records of dry briquets processed and hours of operation on a daily basis shall be maintained.
- b) Records of any repairs that were made due to any opacity reading which exceeded the standard.

6. Specific Reporting Requirements:

See Section F, Conditions 5, 6, 7, and 8.

7. Specific Control Equipment Operating Conditions: None

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:020, Section 6. While these activities are designated as insignificant the permittee must comply with the applicable regulation and some minimal level of periodic monitoring may be necessary. The facility shall monitor and record the amount of lighter fluid processed in the lighter fluid bottling line production on a monthly basis.

<u>Description</u>	<u>Generally Applicable Regulation</u>
1. Dryer Bypass Bunker	NA
2. Dryer Bypass Bunker Management (Loader)	NA
3. Coal Shed Loading	NA
4. Screener	NA
5. Dock Hopper #1 Loading	401 KAR 63:010
6. Dock Hopper #2 Loading	401 KAR 63:010
7. Dock Hopper #3 Loading	401 KAR 63:010
8. Dock Hopper #4 Loading	401 KAR 63:010
9. Dock Hopper #5 Loading	401 KAR 63:010
10. Dock Collection Belt Transfer	401 KAR 63:010
11. Lime Shed Loading	401 KAR 63:010
12. Raw Material Mgmt (Char)	401 KAR 63:010
13. Raw Material Mgmt (Lime)	401 KAR 63:010
14. Raw Material Mgmt (Rerun)	401 KAR 63:010
15. Raw Material Mgmt (Wood Dust)	401 KAR 63:010
16. Wet Wood Belt to Screener Transfer	401 KAR 63:010
17. Bypass Belt to Sawdust Pile	401 KAR 63:010
18. Retort Char Bypass Bunker	
19. Retort Char Bypass Bunker Management (Loader)	
20. Wet Wood Scale Calibration Chute	
21. Mill Reversing Belt to Bypass Belt	401 KAR 63:010
22. Sawdust Dryer Bypass Belt	
23. Retort Wet Wood Hammermill	
24. Wet Wood Truck Dump	
25. Char / Mesquite / Hickory Truck Dump	NA
26. B Dryer Fines Discharge	NA
27. Briquet Building Exhaust Fan #1	NA
28. Briquet Building Exhaust Fan #2	NA
29. Briquet Building Exhaust Fan #3	NA
30. Exhaust Fan Vent #1 - East Wall	NA
31. Exhaust Fan Vent #1 - North Wall	NA
32. Exhaust Fan Vent #1 - West Wall	NA
33. Exhaust Fan Vent #2 - East Wall	NA
34. Exhaust Fan Vent #2 - North Wall	NA
35. Exhaust Fan Vent #2 - West Wall	NA
36. Exhaust Fan Vent #3 - East Wall	NA
37. Exhaust Fan Vent #3 - North Wall	NA
38. Exhaust Fan Vent #3 - West Wall	NA
39. Packaging Exhaust Vent #1	NA
40. Packaging Exhaust Vent #2	NA

SECTION C - INSIGNIFICANT ACTIVITIES (CONTINUED)

41.	Pour Back Hopper	NA
42.	Pour Back Hopper to Dryer Bypass Bunker	NA
43.	Pkg Silo #1 Drop Point	NA
44.	Pkg Silo #2 Drop Point	NA
45.	Pkg Silo #3 Drop Point	NA
46.	Fuel Oil Tank Vent	NA
47.	Diesel Fuel Tank Vent	NA
48.	Used Oil Tank Vent	NA
49.	Gasoline Tank Vent	NA
50.	Emergency Generator Diesel Exhaust(Retort)	NA
51.	Emergency Generator Diesel Exhaust (Lake Pumps)	NA
52.	Emergency Fire Pump Diesel Exhaust	NA
53.	Briquetting Building Wet Collector (Mesquite)	401 KAR 59:010
54.	Briquetting Building Wet Collector	401 KAR 59:010
55.	Packaging Chemical Usage	
56.	Ink Jet Printer Ink Usage	NA
57.	Hot Melt Adhesive Usage	NA
58.	Nitrate Use Tank	NA
59.	Borax Super Sack Station	NA
60.	Retort Char Silo #1	
61.	Retort Char Silo #2	
62.	Retort Char Silo #3	
63.	Mesquite / Hickory Silo	
64.	Char Silo #1	
65.	Char Silo #2	
66.	Lignite Silos #1 & #2 with Combined Bin Vent	
67.	Sodium Nitrate Silo with Bin Vent	
68.	Starch Silo with Bin Vent	
69.	Fines Rerun Silo	
70.	Finished Briquet Silo #1	
71.	Finished Briquet Silo #2	
72.	Finished Briquet Silo #3	
73.	Hi Vac Vacuum System	
74.	Lignite Metering	NA
75.	Lignite Railcar Unloading Station with Bin Vent	NA

Lighter Fluid Bottling Line (6.0 million gallons per year):

76.	Filling Operations	NA
77.	Filler Surge Tank	NA
78.	Spill Evaporative Losses	NA

Lighter Fluid Bottling and Solvent Treated Briquets (12.63 million gallons per year):

79.	Tank Car Surge Tank Vent #1	NA
80.	Tank Car Surge Tank Vent #2	NA
81.	Solvent Handling Equipment	NA
82.	Railcar Solvent Unloading	NA

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

1. As required by Section 1b of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26; compliance with annual emissions and processing limitations contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.
2. Particulate PM/PM₁₀, sulfur dioxide, and volatile organic compound emissions as measured by methods referenced in 401 KAR 50:015, Section 1 and/or this permit, shall not exceed the limitations specified herein.
3. The STB production line and dryers A, B, and C are subject to 401 KAR 51:017. Emissions of the reprocessing briquets from the STB production line contain particulates and VOC's that are recycled through the briquets dryers. To preclude the applicability of 401 KAR 51:017, Prevention of Significant Deterioration of Air Quality, total volatile organic compound emissions from emissions units 07, 08, and 09 (Dryers A-C) shall not exceed 51.9 lbs/hour averaged on a daily basis, and 169.3 tons in any consecutive twelve months period rolling total [V-03-018R3]. The permittee may assure compliance with VOC emission limitation by demonstrating compliance with the solvent usages rate as mentioned in Subsection 1, Operating Limitations for Emission Unit 37 of Section B.
4. KMC shall maintain records of STB production and of annual emissions from STB production to demonstrate that the actual emissions over the 2008-2012 periods do not exceed the maximum projected annual emissions shown in the tables B1, B2, B3 below. The annual emission inventory shall be used to provide the Division actual annual VOC emission rates from the STB process for the 5 year period following the modification to the solvent application area.

Table B1

Source	STB Production	VOC Emissions
	(tons/yr)	(tons/yr)
Baseline Actual Emissions		
2006	33,159	40.51
2007	33,050	40.38
Average	33,105	40.45
Projected Actual Emissions		
36 tpy VOC increase	63,471	76.45
Net Increases		
Actual to Projected Actual	30,367	36.00
PSD Significance Levels		40

Baseline actual emissions are the average of actual 2006/2007 emission rates.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

Table B2

Year	Source	STB ^a Production (tons/yr)	VOC Emission Factor ^b (lbs/ton)	VOC Emissions (tons/yr)
2006	STB Application (Controlled)	33,159	0.141	2.34
	STB fines	33,159	2.23	36.97
	Tanks & Piping	N/D	N/D	1.2
	Total			40.51
2007	STB Application (Controlled)	33,050	0.141	2.33
	STB fines	33,050	2.23	36.85
	Tanks & Piping	N/D	N/D	1.2
	Total			40.38

a. STB production rates reflect "wet briquets" (with solvent weight included).

b. Emissions

Controlled solvent application emissions based on 95% control of VOC emissions by the ACC.

Uncontrolled emissions from solvent application (2.82 pounds VOC/ton STB) per KMC operating experience with similar STB production operations.

Tanks and piping VOC emissions assumed to be fixed and independent of production rate per KMC operating experience with similar STB production operations.

"STB Fines" are fugitive VOC emissions associated with STB briquet fines handling. Most of these emissions are assumed to occur at the briquet dryers during fines reprocessing (EU07, 08, 09)

Table B3

Operating Scenario	Source	STB ^a Production (tons/yr)	VOC Emission Factor ^b (lbs/ton)	VOC Emissions (tons/yr)
36 tpy VOC Increase	STB Application Area	63,471	0.141	4.47
	STB fines	63,471	2.23	70.77
	Tanks & Piping	N/D	N/D	1.2
	Total			76.45

a. STB production rates reflect "wet briquets" (with solvent weight included).

b. Emissions

Controlled solvent application emissions based on 95% control of VOC emissions by the ACC.

Uncontrolled emissions from solvent application (2.82 pounds VOC/ton STB) per KMC operating experience with similar STB production operations.

Tanks and piping VOC emissions assumed to be fixed and independent of production rate per KMC operating experience with similar STB production operations.

"STB Fines" are fugitive VOC emissions associated with STB briquet fines handling. Most of these emissions are assumed to occur at the briquet dryers during fines reprocessing (EU07, 08, 09)

KMC shall maintain records of STB production and of annual emissions from STB production to demonstrate that the actual emissions over the 2008-2012 periods do not exceed the maximum projected annual emissions shown in the table above. The annual emission inventory shall be used to provide the Division actual annual VOC emission rates from the STB process for the 5 year period following the modification t

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS

1. Pursuant to Section 1b (IV)1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26, when continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
 - a. Date, place as defined in this permit, and time of sampling or measurements;
 - b. Analyses performance dates;
 - c. Company or entity that performed analyses;
 - d. Analytical techniques or methods used;
 - e. Analyses results; and
 - f. Operating conditions during time of sampling or measurement.
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [Sections 1b(IV) 2 and 1a(8) of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
3. In accordance with the requirements of 401 KAR 52:020 Section 3(1)h the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times:
 - a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation;
 - b. To access and copy any records required by the permit;
 - c. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.
4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.
5. Summary reports of any monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit, unless otherwise stated in this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation [Sections 1b-V-1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

6. The semi-annual reports are due by January 30th and July 30th of each year. All reports shall be certified by a responsible official pursuant to 401 KAR 52:020 Section 23. If continuous emission and opacity monitors are required by regulation or this permit, data shall be reported in accordance with the requirements of 401 KAR 59:005, General Provisions, Section 3(3). All deviations from permit requirements shall be clearly identified in the reports.
7. In accordance with the provisions of 401 KAR 50:055, Section 1 the owner or operator shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - a. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - b. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
8. The owner or operator shall report emission related exceedances from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Section F.7 above) to the Regional Office listed on the front of this permit within 30 days. Deviations from permit requirements, including those previously reported under F.7 above, shall be included in the semiannual report required by F.6 [Sections 1b-V, 3 and 4 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
9. Pursuant to 401 KAR 52:020, Permits, Section 21, the permittee shall annually certify compliance with the terms and conditions contained in this permit, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an alternative approved by the regional office) to the Regional Office listed on the front of this permit and the U.S. EPA in accordance with the following requirements:
 - a. Identification of the term or condition;
 - b. Compliance status of each term or condition of the permit;
 - c. Whether compliance was continuous or intermittent;
 - d. The method used for determining the compliance status for the source, currently and over the reporting period.
 - e. For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

- f. The certification shall be postmarked by January 30th of each year. Annual compliance certifications should be mailed to the following addresses:

Division for Air Quality
London Regional Office
875 S. Main Street
London, KY 40741

U.S. EPA Region IV
Air Enforcement Branch
Atlanta Federal Center
61 Forsyth St.
Atlanta, GA 30303-8960

Division for Air Quality
Central Files
200 Fair Oaks Lane, 1st floor
Frankfort, KY 40601

10. In accordance with 401 KAR 52:020, Section 22, the permittee shall provide the Division with all information necessary to determine its subject emissions within thirty (30) days of the date the KYEIS emission survey is mailed to the permittee.

SECTION G - GENERAL PROVISIONS

1. General Compliance Requirements

- a. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:020 Section 3(1)(b) and a violation of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act). Noncompliance with this permit is grounds for enforcement action including but not limited to termination, revocation and reissuance, revision or denial of a permit [Section 1a-3 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020 Section 26].
- b. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition [Section 1a-6 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- c. This permit may be revised, revoked, reopened and reissued, or terminated for cause in accordance with 401 KAR 52:020, Section 19. The permit will be reopened for cause and revised accordingly under the following circumstances:
 - (1) If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to 401 KAR 52:020, Section 12;
 - (2) The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements;
 - (3) The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit;
 - (4) New requirements become applicable to a source subject to the Acid Rain Program.

Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the Division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the Division may provide a shorter time period in the case of an emergency.

- d. The permittee shall furnish information upon request of the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the conditions of this permit [Sections 1a- 7 and 8 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- e. Emission units described in this permit shall demonstrate compliance with applicable requirements if requested by the Division [401 KAR 52:020 Section 3(1)(c)].

SECTION G - GENERAL PROVISIONS (CONTINUED)

- f. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to the permitting authority [401 KAR 52:020, Section 7(1)].
- g. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a-14 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- h. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a-4 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- i. Except for requirements identified in this permit as state-origin requirements, all terms and conditions shall be enforceable by the United States Environmental Protection Agency and citizens. [Section 1a-15-b of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- j. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6) [Section 1a-10 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- k. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:020, Section 11(3) 2.].
- l. This permit does not convey property rights or exclusive privileges [Section 1a-9 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- m. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Cabinet or any other federal, state, or local agency.
- n. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry [401 KAR 52:020, Section 11(3) 4.].
- o. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders [401 KAR 52:020, Section 11(3) 1.].

SECTION G - GENERAL PROVISIONS (CONTINUED)

- p. This permit consolidates the authority of any previously issued PSD, NSR, or Synthetic Minor source preconstruction permit terms and conditions for various emission units and incorporates all requirements of those existing permits into one single permit for this source.
- q. Pursuant to 401 KAR 52:020, Section 11, a permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with:
 - (1) Applicable requirements that are included and specifically identified in the permit and
 - (2) Non-applicable requirements expressly identified in this permit.

2. Permit Expiration and Reapplication Requirements

- a. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division [401 KAR 52:020, Section 12].
- b. The authority to operate granted shall cease to apply if the source fails to submit additional information requested by the Division after the completeness determination has been made on any application, by whatever deadline the Division sets [401 KAR 52:020 Section 8(2)].

3. Permit Revisions

- a. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of 401 KAR 52:020, Section 14(2).
- b. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority within ten (10) days following the transfer.

SECTION G - GENERAL PROVISIONS (CONTINUED)**4. Construction, Start-Up, and Initial Compliance Demonstration Requirements**

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the construction of the equipment described herein, emission unit 37-modified STB line in accordance with the terms and conditions of this permit.

- a. Construction of any process and/or air pollution control equipment authorized by this permit shall be conducted and completed only in compliance with the conditions of this permit.
- b. Within thirty (30) days following commencement of construction and within fifteen (15) days following start-up and attainment of the maximum production rate specified in the permit application, or within fifteen (15) days following the issuance date of this permit, whichever is later, the permittee shall furnish to the Regional Office listed on the front of this permit in writing, with a copy to the Division's Frankfort Central Office, notification of the following:
 - (1) The date when construction commenced.
 - (2) The date of start-up of the affected facilities listed in this permit.
 - (3) The date when the maximum production rate specified in the permit application was achieved.
- c. Pursuant to 401 KAR 52:020, Section 3(2), unless construction is commenced within eighteen (18) months after the permit is issued, or begins but is discontinued for a period of eighteen (18) months or is not completed within a reasonable timeframe then the construction and operating authority granted by this permit for those affected facilities for which construction was not completed shall immediately become invalid. Upon written request, the Cabinet may extend these time periods if the source shows good cause.
- d. For those affected facilities for which construction is authorized by this permit, a source shall be allowed to construct with the proposed permit. Operational or final permit approval is not granted by this permit until compliance with the applicable standards specified herein has been demonstrated pursuant to 401 KAR 50:055. If compliance is not demonstrated within the prescribed timeframe provided in 401 KAR 50:055, the source shall operate thereafter only for the purpose of demonstrating compliance, unless otherwise authorized by Section I of this permit or order of the Cabinet.
- e. This permit shall allow time for the initial start-up, operation, and compliance demonstration of the affected facilities listed herein. However, within sixty (60) days after achieving the maximum production rate at which the affected facilities will be operated but not later than 180 days after initial start-up of such facilities, the permittee shall conduct a performance demonstration on the affected facilities in accordance with 401 KAR 50:055, General compliance requirements. Testing must also be conducted in accordance with General Provisions G.5 of this permit.
- f. Terms and conditions in this permit established pursuant to the construction authority of 401 KAR 51:017 or 401 KAR 51:052 shall not expire.

SECTION G - GENERAL PROVISIONS (CONTINUED)**5. Testing Requirements**

- a. Pursuant to 401 KAR 50:045 Section 2, a source required to conduct a performance test shall submit a completed Compliance Test Protocol form, DEP form 6028, or a test protocol a source has developed for submission to other regulatory agencies, in a format approved by the cabinet, to the Division's Frankfort Central Office a minimum of sixty (60) days prior to the scheduled test date. Pursuant to 401 KAR 50:045, Section 7, the Division shall be notified of the actual test date at least Thirty (30) days prior to the test.
- b. Pursuant to 401 KAR 50:045 Section 5, in order to demonstrate that a source is capable of complying with a standard at all times, any required performance test shall be conducted under normal conditions that are representative of the source's operations and create the highest rate of emissions. If [When] the maximum production rate represents a source's highest emissions rate and a performance test is conducted at less than the maximum production rate, a source shall be limited to a production rate of no greater than 110 percent of the average production rate during the performance tests. If and when the facility is capable of operation at the rate specified in the application, the source may retest to demonstrate compliance at the new production rate. The Division for Air Quality may waive these requirements on a case-by-case basis if the source demonstrates to the Division's satisfaction that the source is in compliance with all applicable requirements.
- c. Results of performance test(s) required by the permit shall be submitted to the Division by the source or its representative within forty-five days or sooner if required by an applicable standard, after the completion of the fieldwork.

6. Acid Rain Program Requirements

If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

7. Emergency Provisions

- a. Pursuant to 401 KAR 52:020 Section 24(1), an emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
 - (1) An emergency occurred and the permittee can identify the cause of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - (4) Pursuant to 401 KAR 52:020, 401 KAR 50:055, and KRS 224.01-400, the permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division when emission limitations were exceeded due to an

SECTION G - GENERAL PROVISIONS (CONTINUED)

emergency. The notice shall include a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.

(5) This requirement does not relieve the source of other local, state or federal notification requirements.

b. Emergency conditions listed in General Condition G.7.a above are in addition to any emergency or upset provision(s) contained in an applicable requirement [401 KAR 52:020, Section 24(3)].

c. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof [401 KAR 52:020, Section 24(2)].

8. Ozone Depleting Substances

a. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:

(1) Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.

(2) Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.

(3) Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.

(4) Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166

(5) Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.

(6) Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.

b. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, *Servicing of Motor Vehicle Air Conditioners*.

SECTION G - GENERAL PROVISIONS (CONTINUED)

9. Risk Management Provisions

- a. The permittee shall comply with all applicable requirements of 401 KAR Chapter 68, Chemical Accident Prevention, which incorporates by reference 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall comply with the Risk Management Program and submit a Risk Management Plan to:

RMP Reporting Center
P.O. Box 1515
Lanham-Seabrook, MD 20703-1515.

- b. If requested, submit additional relevant information to the Division or the U.S. EPA.

SECTION H - ALTERNATE OPERATING SCENARIOS

None

SECTION I - COMPLIANCE SCHEDULE

None